

OTHER AGENCIES

(a)

ELECTION LAW ENFORCEMENT COMMISSION

Regulations of the Election Law Enforcement Commission

Campaign Cost Index Adjustments and Independent Expenditure Committees

Proposed Amendments: N.J.A.C. 19:25-1.7, 1.9, 3.3, 4.4, 4.5, 4.8, 5.1, 5.3, 5.4, 6.1, 6.4, 7.1, 8.4, 8.6, 8.6A, 8.8, 8.9, 8.10, 9.2, 9.3, 9.4, 9.4A, 10.6, 10.7, 10.8, 11.2, 11.4, 11.5, 11.7, 12.7, 12.8, 12.8A, 13.3, 13.4, 14.4, 17.3, and 17.3A

Proposed New Rules: N.J.A.C. 19:25-4.9, 8.2B, 8A, 12.7A, and 13.2A

Authorized By: Election Law Enforcement Commission, Amanda S. Haines, Executive Director.

Authority: N.J.S.A. 19:44A-6.b.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2024-097.

The sitting New Jersey Election Law Enforcement Commission (Commission) will conduct a **public hearing** concerning this notice of proposal on Tuesday, October 15, 2024, at 11:00 A.M. at:

Election Law Enforcement Commission
25 South Stockton St., 5th floor
Trenton, New Jersey 08608

Persons wishing to testify are requested to reserve time to speak by contacting Administrative Assistant Elbia L. Zepetelli at (609) 292-8700 no later than Friday, October 11, 2024.

Submit written comments by October 18, 2024, to:

Benjamin Kachuriner, Esq., Assistant Legal Counsel
Election Law Enforcement Commission
PO Box 185
Trenton, New Jersey 08625-0185
Email: elec.rulemaking@elec.nj.gov

The agency proposal follows:

Summary

The New Jersey Election Law Enforcement Commission proposes amendments and new rules to implement campaign cost index and contribution limit adjustments in addition to statutory changes to independent expenditure committees consistent with the Elections Transparency Act (ETA), P.L. 2023, c. 30.

As the Commission has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5.

Independent Expenditure Committees

The ETA created a new type of reporting entity, the independent expenditure committee (IEC). This rulemaking implements the registration and reporting requirements for IECs. This includes amendments, new definitions, and new rules detailing the establishment and reporting obligations of an IEC and clarifying limitations and restrictions on an IEC's activity.

Campaign Cost Index and Contribution Limits Adjustments

Statutory changes to the New Jersey Campaign Contributions and Expenditures Reporting Act, N.J.S.A. 19:44A-1 et seq. (Campaign Act), enacted in 1989 require that the Commission "establish an index reflecting the changes occurring in the general level of prices of particular goods and services ... directly affecting the overall costs of election campaigning in this State." N.J.S.A. 19:44A-7.1.b. The Commission must apply that index to adjust, on a quadrennial basis, various statutory components of the gubernatorial public financing program. See N.J.S.A. 19:44A-7.1.c.

In the 1993 amendments to the Campaign Act, the Governor and Legislature directed the Commission to adjust the limits and thresholds pertaining to non-gubernatorial candidates, committees, and political party entities for campaign cost inflation in the same manner as it adjusts the gubernatorial limits and thresholds. See P.L. 1993, c. 65 (N.J.S.A. 19:44A-7.2).

Legislation enacted in 2004 further amended the Campaign Act, leaving in place the automatic adjustment of thresholds and limits within the gubernatorial public financing program and the thresholds applicable to non-gubernatorial candidates and committees, but directing the Commission to recommend changes for the contribution limits relating to non-gubernatorial candidates, political committees, continuing political committees, political party committees, and legislative leadership committees to the Legislature through a quadrennial report. See P.L. 2004, c. 28 (N.J.S.A. 19:44A-7.3).

Recently enacted legislation, in 2023, required the thresholds applicable to non-gubernatorial candidates and committees be adjusted every two years. See P.L. 2023, c. 30 (N.J.S.A. 19:44A-7.2). In addition, N.J.S.A. 19:44A-7.3 was amended to require the Commission to make adjustments every two years. Therefore, a separate cost index that estimates inflation over two years is being applied to non-gubernatorial contribution limits. Other than non-gubernatorial contribution limits, all other adjustments being made are based on a four-year cost index calculation. (Due to the last cost index adjustment being made four years ago, the calculation for the inflationary adjustment uses data from the last four years, as had been done prior to the ETA. Moving forward, as adjustments will be made every two years, the inflationary adjustment will use data over a two-year span. Gubernatorial contribution limits and thresholds will continue to be adjusted every four years.)

At this time, the following adjustments, applicable to non-gubernatorial candidates, candidate committees, joint candidates committees, political committees, continuing political committees, political party committees, legislative leadership committees, and other entities are required: the political committee reporting threshold, the continuing political committee reporting threshold, the joint candidates committee Sworn Statement (Form A-2) reporting thresholds, the candidate committee Sworn Statement (Form A-1) reporting threshold, thresholds for 72/24-hour notice reporting of contributions and expenditures, the threshold for reporting of independent expenditures by a person, and the maximum penalty amounts that may be imposed by the Commission pursuant to N.J.S.A. 19:44A-20.1 and 22. See N.J.S.A. 19:44A-7.2.

Calculation of the Inflationary Adjustment

Applying the methodology first described in the Commission's June 1988 "Gubernatorial Cost Analysis Report," and employed in 1992, 1996, 2000, 2004, 2008, 2012, 2016, and 2020 for the gubernatorial public financing program, and in 1996, 2000, 2004, 2008, 2012, 2016, and 2020 for non-gubernatorial candidates and committees, the Commission has determined that costs relevant to campaigning in New Jersey have risen in the period following the 2021 gubernatorial general election and has applied a four-year index of 1.182 percent to the various limits and thresholds required to be adjusted.

N.J.S.A. 19:44A-7.1.b requires that the index be weighted according to the impact of the various categories of campaign expenditures in the preceding general election for the offices of Governor and Lieutenant Governor. Therefore, determination of the index for 2025 required analysis of the campaign expenditures of the 2021 gubernatorial general election campaigns. Using expenditure information reported by the 2021 gubernatorial general election campaigns, the Commission concluded that 78.89 percent of 2021 general election expenditures were associated with communication of the candidates' messages to voters. The remaining 21.11 percent of 2021 general election expenditures were spent administering the campaigns, that is, on candidate travel, food and beverage, fundraising, election night activities, compliance, telephone, personnel, and other administrative costs.

As it did in its 1992, 1996, 2000, 2004, 2008, 2012, 2016, and 2020 calculation of campaign cost changes, the Commission relied on established indices to evaluate the change in costs during the period

between the 2021 and 2025 elections in two expenditure categories: mass communication costs and other campaign costs/administration.

Mass Communication Costs

As in the 2020 cost adjustment, the Commission obtained data from Magna Global of New York City. The percentage increase is derived from the cost-per-thousand indices. These indices measure the change in the cost of advertising targeted to reach 1,000 individuals in the New York and Philadelphia media markets. The index was projected to increase by 17.43 percent between base years 2021 through 2024. See Mass Media Percentage Increase, Table 4 (July 2024).

Other Campaign Costs/Administration

The change in “all other campaign costs” was calculated using United States Bureau of Labor Statistics (BLS) Consumer Price Index (CPI) data relevant to New Jersey. The Commission used CPI data from base year 2021 through April 2024. Statistics from the BLS for the purposes of this analysis involve data compiled for two geographic regions: New York/New Jersey (NY/NJ) and Pennsylvania/New Jersey (PA/NJ). The 2021 through 2024 inflationary number is 19.47 percent for NY/NJ and 23.90 percent for PA/NJ. See Consumer Price Index for All Urban Consumers Monthly Index Number for December, Table 5 (July 2024), citing the BLS, Monthly Index Numbers - All Urban Consumers, through April 2024.

In order to determine the percentage increase in the CPI to be used in calculating the Campaign Cost Index for 2025, the percentage change in the two regional numbers was weighted at a ratio of two-to-one to reflect the larger population of the NY/NJ region compared to the PA/NJ region. Therefore, the 19.47 percent (NY/NJ) was doubled, to 38.93 percent. The weighted NY/NJ 38.93 percent was added to the unweighted PA/NJ’s 23.90 percent, totaling 62.83 percent. Finally, the 62.83 percent number was divided by three to yield a weighted CPI of 20.94 percent.

Calculation of the 2025 Campaign Cost Index

As indicated below, the 17.43 percent increase in communication costs was multiplied by the proportion of 2021 campaign expenditures for mass communications, or 78.89 percent, resulting in a communication component of 13.75 percent. The 20.94 percent increase in other campaign costs/administration was multiplied by the proportion of 2021

campaign expenditures on such items, or 21.11 percent, which resulted in a component of 4.42 percent. The 13.75 percent increase in communication costs was then combined with the 4.42 percent increase in other costs to yield a total New Jersey Campaign Cost Index (NJCCI) of 18.17 percent.

Campaign Cost Index (NJCCI) Calculation

EXPENSE CATEGORY	PERCENT OF 2021 GENERAL ELECTION SPENDING	FOUR-YEAR INCREASE	COMPONENT OF CAMPAIGN INDEX*
Mass communication costs	78.89	17.43%	13.75%
Other campaign costs	21.11	20.94%	4.42%
Campaign cost increase			18.17%

*Percentage of 2021 general election spending multiplied by four-year change in costs.

Based upon the above calculations, the Commission has determined that the cost index multiplier for the limits and thresholds applicable to publicly financed gubernatorial campaigns is 1.182. As is mentioned above, the Legislature has directed the Commission to calculate in the same manner the cost index multiplier for the limits and threshold applicable to publicly financed gubernatorial campaigns to non-gubernatorial candidates, candidate committees, joint candidates committees, political committees, continuing political committees, political party committees, and legislative leadership committees and to make adjustments every two years. See N.J.S.A. 19:44A-7.2. The next step in the cost adjustment process is to multiply each specific limit or threshold by the 1.182 index. The resulting amounts are rounded, as statutorily mandated pursuant to N.J.S.A. 19:44A-7.1.b.

Based upon this analysis, the Commission proposes to amend its rules as follows:

2025 Adjustments for Non-Gubernatorial Candidates and Committees

Threshold	2021/2023 Amount	Cost Index Multiplier	Unrounded	2025 Rounded Amount
Political Committee Reporting Threshold	\$3,200	1.182	\$3,782	\$3,800
Continuing Political Committee Reporting Threshold	\$7,200	1.182	\$8,510	\$8,600
72/24-Hour Notice Contribution Threshold	\$200	1.182	\$236	\$300
72/24-Hour Notice Expenditure Threshold	\$200	1.182	\$236	\$300
Joint Candidates Committee Thresholds—2 Candidates	\$11,000	1.182	\$13,002	\$13,100
Joint Candidates Committee Thresholds—3 or more Candidates	\$15,800	1.182	\$18,676	\$18,700
Form A-3 Threshold*	\$7,200	1.182	\$8,510	\$8,600
Form A-1 Threshold and School Board/Write-in Threshold	\$5,800	1.182	\$6,856	\$6,900
Independent Expenditure Threshold	\$200	1.182	\$236	\$300
Section 20.1 Penalties—First Time	\$9,800	1.182	\$11,536	\$11,600

Section 20.1 Penalties—Subsequent	\$19,500	1.182	\$23,049	\$24,000
Section 22 Penalties—First Time	\$9,800	1.182	\$11,536	\$11,600
Section 22 Penalties—Subsequent	\$19,500	1.182	\$23,049	\$24,000

*See Form A-3 Proposal, below.

Form A-3 Proposal

In addition to the statutorily mandated cost index changes listed above, the Commission proposes, as it did in 1996, 2000, 2004, 2008, 2012, 2017, and 2021, application of the cost index to adjust the Form A-3 \$7,200 calendar year regulatory threshold. See N.J.A.C. 19:25-9.2, Certified Statement (Form A-3). This rule permits a continuing political committee, a political party committee, or a legislative leadership committee that does not expect to raise or spend in excess of the specified threshold amount to file a certified statement (Form A-3) in lieu of detailed quarterly reports. The purpose of the Form A-3 regulatory filing option is to relieve such a committee from the obligation to file detailed quarterly reports in any year in which its financial activity is minimal. The proposed \$8,600 Form A-3 threshold amount is based upon the statutorily mandated adjustment to \$8,600 as the threshold for quarterly reporting. As that statutory amount is subject to the campaign cost adjustment process, the Commission proposes that the regulatory threshold amount be similarly adjusted.

Two-Year Cost Index for Non-Gubernatorial Contribution Limits

This rulemaking also includes the calculation of a two-year cost index for non-gubernatorial contribution limits. The Commission applied the formula first contained in the 1993 Gubernatorial Cost Index Report while using inflation trend data for 2023 and 2024. As indicated below, the 4.45 percent increase in communication costs was multiplied by the proportion of 2021 campaign expenditures for mass communications, or 78.89 percent, resulting in a communication component of 3.51 percent. The 8.16 percent increase in other campaign costs/administration was multiplied by the proportion of 2021 campaign expenditures on such items, or 21.11 percent, which resulted in a component of 1.72 percent. The 3.51 percent increase in communication costs was then combined with the 1.72 percent increase in other costs to yield a total New Jersey Campaign Cost Index (NJCCI) of 5.23 percent.

Two Year Campaign Cost Index (NJCCI) Calculation

EXPENSE CATEGORY	PERCENT OF 2021 GENERAL ELECTION SPENDING	TWO-YEAR INCREASE	COMPONENT OF CAMPAIGN INDEX
Mass communication costs	78.89	4.45%	3.51%
Other campaign costs	21.11	8.16%	1.72%
Campaign cost increase			5.23%

Based upon the above calculations, the Commission has determined that the cost index multiplier for non-gubernatorial contribution limits is 1.052. The next step in the cost adjustment process is to multiply each specific limit or threshold by the 1.052 index. The resulting amounts are rounded, as statutorily mandated pursuant to N.J.S.A. 19:44A-7.1.b.

Based upon this analysis, the Commission proposes to amend its rules as follows:

2023 Contribution Amount	Cost Index Multiplier	Unrounded	2025 Rounded Amount
\$5,200	1.052	\$5,470	\$5,500
\$14,400	1.052	\$15,149	\$15,200

2023 Contribution Amount	Cost Index Multiplier	Unrounded	2025 Rounded Amount
\$16,400	1.052	\$17,253	\$17,300
\$37,500*			\$39,500
\$50,000	1.052	\$52,600	\$53,000
\$75,000	1.052	\$78,900	\$79,000
\$144,000	1.052	\$151,488	\$152,000

*Housekeeping account limits are equal to half the amount implemented for State or county political party committees, pursuant to N.J.S.A. 19:44A-10.2.

Proposed Amendments for Cost Index, Contribution Limit Adjustments, and Other Changes

Some rules referenced in this Summary section are also being amended consistent with changes to independent expenditure committees, pursuant to the ETA, and are, therefore, being addressed in multiple sections of the Summary.

Subchapter 1. General Provisions

The Commission proposes to amend the following definitions at N.J.A.C. 19:25-1.7, Definitions: “continuing political committee” is proposed for amendment to reflect a reporting threshold increase from \$7,200 to \$8,600; “contribution” is proposed for amendment to include the addition of the word “candidate” to be consistent with N.J.S.A. 19:44A-3d; and “political committee” is proposed for amendment to reflect a reporting threshold increase from \$3,200 to \$3,800.

Subchapter 4. Establishment of Reporting Committees

The Commission proposes to amend N.J.A.C. 19:25-4.4(a) and (e), pertaining to the establishment of a political committee, to increase the reporting threshold for political committees from \$3,200 to \$3,800.

The Commission proposes to amend N.J.A.C. 19:25-4.5(a), pertaining to the establishment of a continuing political committee, to increase the reporting threshold for continuing political committees from \$7,200 to \$8,600.

Subchapter 8. Candidate, Joint Candidates, and Political Committee Reporting

The Commission proposes new N.J.A.C. 19:25-8.2B, Transferring funds to a future election, to clarify the situations where a candidate may transfer funds in a depository to a future election without limit.

The Commission proposes to amend N.J.A.C. 19:25-8.4(a), (b), (c), (e), and (f), pertaining to candidate certified statements (Form A-1 or A-2), to increase the reporting threshold for candidates and single candidate committees from \$5,800 to \$6,900 and for joint candidates committees from \$11,000 and \$15,800 to \$13,100 and \$18,700, respectively.

The Commission proposes to amend N.J.A.C. 19:25-8.6(a), pertaining to contributions received immediately before an election, to increase the 72/24-hour report threshold for contributions from \$200.00 to \$300.00.

The Commission proposes to amend N.J.A.C. 19:25-8.6A(a), pertaining to expenditures made immediately before an election, to increase the 72/24-hour report threshold amount for expenditures from \$200.00 to \$300.00.

The Commission proposes to amend N.J.A.C. 19:25-8.8(a), pertaining to political committee election fund reports, to increase the reporting threshold for political committees from \$3,200 to \$3,800.

The Commission proposes to amend N.J.A.C. 19:25-8.9(a), pertaining to political committee contributions received immediately before an

election, to increase the 72/24-hour report threshold for contributions from \$200.00 to \$300.00.

The Commission proposes to amend N.J.A.C. 19:25-8.10(a), pertaining to political committee expenditures made immediately before an election, to increase the 72/24-hour report threshold for expenditures from \$200.00 to \$300.00.

Subchapter 9. Continuing Political Committee, Political Party Committee, and Legislative Leadership Committee Reporting

The Commission proposes to amend N.J.A.C. 19:25-9.2, Certified statement (Form A-3), to increase the reporting threshold for continuing political committees from \$7,200 to \$8,600.

The Commission proposes to amend N.J.A.C. 19:25-9.3(a), pertaining to contributions received immediately before an election, to increase the 72/24-hour report threshold for contributions from \$200.00 to \$300.00.

The Commission proposes to amend N.J.A.C. 19:25-9.4(a), pertaining to continuing political committee expenditures made immediately before a primary or general election, to increase the 72/24-hour report threshold for expenditures from \$200.00 to \$300.00.

The Commission proposes to amend N.J.A.C. 19:25-9.4A(a), pertaining to political party committee and legislative leadership committee expenditures made immediately before a primary or general election, to increase the 72/24-hour report threshold for expenditures from \$200.00 to \$300.00.

Subchapter 11. Contribution Limits

The Commission proposes to amend N.J.A.C. 19:25-11.2, pertaining to the contribution limit chart, to update the contribution limits consistent with recent statutory changes.

The Commission proposes to amend N.J.A.C. 19:25-11.4(a), (b), (d), and (e), pertaining to joint candidates committee contribution limits, to increase the amounts in the examples to be consistent with the contribution limit increases.

The Commission proposes to amend N.J.A.C. 19:25-11.5(b), pertaining to equal attribution requirements, to increase the amounts in the examples to be consistent with the contribution limit increases.

The Commission proposes to amend N.J.A.C. 19:25-11.7(a), (b), and (c), pertaining to county political party contribution limits, to increase limits on contributions from a county political party committee.

Subchapter 12. Reporting of Expenditures: Independent Expenditures

The Commission proposes to amend N.J.A.C. 19:25-12.7(b), Independent expenditures, to increase the reporting threshold for independent expenditures from \$200.00 to \$300.00.

The Commission proposes to amend N.J.A.C. 19:25-12.8A, pertaining to independent expenditures made immediately before an election, to increase the 72/24-hour report threshold for independent expenditures from \$200.00 to \$300.00.

Subchapter 14. Recall Elections

The Commission proposes to amend N.J.A.C. 19:25-14.4(e), pertaining to recall committee depository and filing requirements, to increase the reporting threshold for recall committees from \$5,800 to \$6,900.

Subchapter 17. Complaints and Other Proceedings: Violations

The Commission proposes to amend N.J.A.C. 19:25-17.3(a), (b), and (c), pertaining to penalties, to increase the penalty for a violation of the Campaign Act for a first offense from \$9,800 to \$11,600, and for a second offense from \$19,500 to \$24,000.

Proposed Amendments and New Rules to Implement Independent Expenditure Committees

Subchapter 1. General Provisions

The Commission proposes to amend N.J.A.C. 19:25-1.7, Definitions, to implement N.J.S.A. 19:44A-3(t) by adding the definition "independent expenditure committee" (IEC), which is a person or group organized pursuant to 26 U.S.C. § 527 or 26 U.S.C. § 501(c)(4) or (6) that makes independent expenditures in excess of \$7,500 in an election. The definition clarifies that an IEC does not include: 1. A candidate committee, joint candidates committee, political committee, continuing

political committee, political party committee, or legislative leadership committee; 2. A contributor, not involved in fundraising, making contributions from the contributor's own funds; and 3. A person using the person's own funds to make independent expenditures pursuant to N.J.A.C. 19:25-12.7(b).

The Commission proposes to amend the following definitions at N.J.A.C. 19:25-1.7 to add independent expenditure committee to definitions: "continuing political committee"; "'depository,' 'campaign depository,' and 'organizational depository'"; "political committee"; and "testimonial affair."

The Commission proposes a new definition, "resident address," to clarify that when reporting of resident address is required, the address must contain all information necessary for service of process on the identified person at that location, including any apartment, unit, suite, floor, or building number.

The Commission proposes to amend N.J.A.C. 19:25-1.9, Candidates and committees subject to thresholds and limits, by codifying the existing text as subsection (a) and adding new subsection (b) to indicate that the reporting thresholds for IECs are applicable to any election subject to the Campaign Act and recall elections conducted pursuant to the Uniform Recall Election Law, N.J.S.A. 19:27A-1 et seq.

Subchapter 3. Electronic Filing

The Commission proposes to amend N.J.A.C. 19:25-3.3, Registration and personal identification number, subsection (c) to require that treasurers and chairpersons of IECs obtain registration numbers and PINs to facilitate electronic filing.

Subchapter 4. Establishment of Reporting Committees

The Commission proposes to amend N.J.A.C. 19:25-4.8 to implement N.J.S.A. 19:44A-8.1d by adding IEC to the list of entities permitted to seek a Commission-approved abbreviation or acronym.

N.J.S.A. 19:44A-8.1 requires reporting entities to file a registration statement with the Commission to report in-depth information about the entity, including the names and addresses of persons involved in the organization of the entity and persons having control over the entity. P.L. 2019, c. 124, added IECs to the list of entities with registration requirements. The ETA amended N.J.S.A. 19:44A-8.1 to clarify that control over an IEC means any person participating in any decision to make an independent expenditure. Similarly, P.L. 2019, c. 124, amended N.J.S.A. 19:44A-10 to add IECs to the entities that must designate a treasurer and depository. The ETA amended N.J.S.A. 19:44A-10 to clarify that the reporting obligation is only triggered by an independent expenditure.

Since 1993, the Commission has combined the requirements at N.J.S.A. 19:44A-8.1 and 19:44A-10. Continuing this practice, the Commission proposes new N.J.A.C. 19:25-4.9, Establishment of an independent expenditure committee. Subsection (a) requires the establishment of an IEC in an election by appointing a treasurer and designating a depository no later than the date the IEC exceeds \$7,500 in independent expenditures in that election. Subsection (b) requires the IEC to file a registration statement and designation of campaign depository (Form D-6) within 10 days of establishing the IEC, which must include: 1. The full name of the IEC; 2. The mailing address of the IEC and the name and resident address of a New Jersey resident who is designated as the agent for service of process; 3. The name, mailing address, and telephone number of the person appointed as chairperson; 4. The name, mailing and resident address, and telephone number of the treasurer; 5. The name, mailing address, and telephone number of the bank where the depository has been established, the account name and number, and the names and mailing addresses of anyone authorized to sign checks; 6. The general organizational category or affiliation of the committee; and 7. A statement by the organizers that identifies the names and mailing addresses of anyone having control over the committee, including organizations or entities, the names and mailing addresses of anyone who participated in the organization of the committee, including organizations and entities, and the particular interests and objectives of the committee. For any individuals identified, the occupation and employer name and address must also be reported. Subsection (c) requires the chairperson and treasurer to certify Form D-6. Subsection (d) requires an amendment

within three days after any information in Form D-6 changes. Subsection (e) requires the filing of Form D-6 for each election in which the committee makes or incurs independent expenditures in excess of \$7,500. Subsection (f) prohibits the registration by foreign nationals, governments, instrumentalities, or agents as independent expenditure committees.

Subchapter 5. Appointment of Campaign Officers and Depositories

The Commission proposes to amend N.J.A.C. 19:25-5.1, Qualifications of campaign or committee officers, to add paragraph (c)4, which adds chairperson, campaign treasurer, or deputy campaign treasurer of an IEC to the list of roles to which the chairperson of a political party committee or a legislative leadership committee is ineligible to be appointed.

An amendment is proposed at N.J.A.C. 19:25-5.3, Required treasurer training, subsection (b) to add IEC to the list of entities that may have a trained treasurer.

The Commission proposes to amend N.J.A.C. 19:25-5.4, Deputy treasurers and additional depositories, to add IEC to the list of entities at subsection (b) that may appoint a deputy treasurer and may designate additional depositories.

Subchapter 6. Receipt and Use of Funds

The Commission proposes to amend N.J.A.C. 19:25-6.1, Receipt and deposit of funds, to implement changes to N.J.S.A. 19:44A-12 pursuant to P.L. 2019, c. 124. The Commission proposes add IEC to the list of entities for date of receipt at recodified subsection (c). The Commission further proposes new subsection (b) to require that funds received by an IEC be delivered to the treasurer and deposited into the depository within 10 days of receipt. The text of N.J.S.A. 19:44A-12 suggests that an IEC may transfer funds to a candidate or other committee without depositing the funds. New subsection (b) does not permit such a transfer without deposit by an IEC to uphold contribution limits and to be consistent with N.J.A.C. 19:25-8A.2(b).

The Commission proposes to amend N.J.A.C. 19:25-6.4, Expenditures through treasurer, to reflect changes to N.J.S.A. 19:44A-11. In subsection (a), independent expenditures are added to the list of expenditure types, and IEC is added to the types of entities subject to the requirements of the section. Subsection (a)1 adds IEC to the list of entities that must make expenditures through its campaign treasurer or deputy campaign treasurer.

Subchapter 7. Recordkeeping

The Commission proposes to amend N.J.A.C. 19:25-7.1, Recordkeeping requirements, to add IEC to lists of entities at subsections (a), (b), and (d) that are subject to existing recordkeeping requirements, pursuant to N.J.S.A. 19:44A-12.

Subchapter 8A. Independent Expenditure Committees

The Commission proposes new Subchapter 8A, Independent Expenditure Committees, to include the following:

N.J.A.C. 19:25-8A.1, Definitions, which includes “electioneering communication” implementing N.J.S.A. 19:44A-3u. To clarify the necessary audience for an electioneering communication, the Commission adds that an electioneering communication must be targeted to the electorate of persons eligible to vote for or against the candidate or public question. The Commission proposes the definition “functional equivalent of express advocacy,” which appears at N.J.S.A. 19:44A-3u and 19:44A-3v. Also included is the definition of “independent expenditure” as provided at N.J.S.A. 19:44A-3v, with the clarification that it refers to independent expenditures by an IEC. The Commission further proposes a definition of “contributions” as it is used in Subchapter 8A to reflect that reportable contributions by IECs are those contributions received for the purpose of furthering independent expenditures, as required at N.J.S.A. 19:44A-8d.

N.J.A.C. 19:25-8A.2, Prohibited activity, clarifies limitations on independent expenditure committee activities. Subsection (a) prohibits coordination with a candidate or political party committee, as provided at N.J.S.A. 19:44A-3v. Subsection (b) prohibits contributions to any other entity subject to the contribution limits as provided at N.J.A.C. 19:25-11.2. The Campaign Act provides contribution limits for entities subject to the Campaign Act, but not for IECs. There are no limits on the size of

contributions an independent expenditure committee may receive. The Commission concludes that to uphold contribution limits for all other reporting entities, IECs must be prohibited from contributing to any entity subject to contribution limits.

N.J.A.C. 19:25-8A.3, Independent expenditure committee election fund reports, implements portions of N.J.S.A. 19:44A-8d by clarifying that independent expenditure committees must file election fund reports according to the time periods prescribed at N.J.A.C. 19:25-8A.4.

N.J.A.C. 19:25-8A.4, Election cycle reports, implements reporting time periods for IECs, pursuant to N.J.S.A. 19:44A-8d. Subsection (a) applies to IECs making an electioneering communication in the primary election and requires a report on the 11th day before the election that includes all contributions received and all independent expenditures made beginning January 1 of the preceding year and ending on the 14th day prior to the election. Subsection (a) further requires a report on the 20th day following the election that includes all contributions received and all independent expenditures made beginning the 13th day prior to the election and ending on the 17th day after the election. Subsection (b) applies to an IEC making an electioneering communication in a municipal, runoff, school board, special, or general election and requires a report on the 29th day prior to the election that must contain all reportable transactions from January 1 of the preceding year and ending on the 32nd day prior to the election. Subsection (b) further requires a report on the 11th day prior to the election that must contain all reportable transactions from the 31st day prior to the election and ending on the 14th day prior to the election. Finally, subsection (b) requires a report on the 20th day following the election that must contain all reportable transactions from the 13th day prior to the election and ending on the 17th day following the election. Subsection (c) requires that the campaign treasurer of the IEC file and certify the correctness of the reports.

N.J.A.C. 19:25-8A.5, Contribution reporting, implements the contribution reporting requirements at N.J.S.A. 19:44A-8d. Subsection (a) provides that a contribution, or aggregate contributions, in excess of \$7,500 received by an IEC from a contributor during an election fund report period must be reported on election fund reports, as follows: 1. The date the contribution was received; 2. The name and mailing address of the contributor; 3. If the contributor is an individual, the occupation and name and mailing address of the individual’s employer; 4. The amount of the contribution or aggregate contributions; and 5. The total amount of all contributions received from that contributor. Subsection (b) requires the reporting of contributions of \$7,500 or less as a total sum of all such contributions received during the reporting period. The Campaign Act does not require the reporting of contributions of \$7,500 or less; however, the Commission determined that reporting the sum of such contributions is necessary to reflect the IEC’s spending capability. The identity of the contributor need not be reported until the contribution exceeds \$7,500. Subsection (c) clarifies that if at any point during the election, aggregate contributions from a contributor exceed \$7,500, each subsequent contribution must include the information at subsection (a), regardless of the amount.

N.J.A.C. 19:25-8A.6, Independent expenditure reporting, implements the independent expenditure reporting requirements at N.J.S.A. 19:44A-8d. Subsection (a) requires the following for each independent expenditure, the: 1. Date of expenditure; 2. Full name and address of the payee; 3. Purpose; 4. Amount; and 5. Number of the check or type of transaction, whether electronic transfer of funds, debit card, or credit card. Subsection (b) requires that, for each independent expenditure, an IEC must identify the name of the candidate or public question, the election date, and the location of the election.

N.J.A.C. 19:25-8A.7, Time and place of filing reports, applies the same filing deadline to IECs that the Commission applies to all other reporting entities. Subsection (a) requires reports be received by 5:00 P.M. on the due date to be considered timely filed. Subsection (b) requires each IEC to retain a copy of each filed report.

Subchapter 10. Contribution Reporting

The Commission proposes to amend N.J.A.C. 19:25-10.6, Currency contributions, to implement portions of N.J.S.A. 19:44A-11 by adding IEC at subsection (a) to reflect that an IEC may receive a contribution of currency up to \$200.00 from a contributor in an election, and by adding

IEC at subsection (b) to reflect that a contributor may contribute up to \$200.00 in currency to an IEC in an election.

The Commission proposes to implement N.J.S.A. 19:44A-3j and 19:44A-12 by amending N.J.A.C. 19:25-10.7, Public solicitations, to add IEC to the list of entities at subsection (a) that are subject to the section.

To implement changes at N.J.S.A. 19:44A-20, the Commission proposes to amend N.J.A.C. 19:25-10.8, Prohibition of anonymous contributions and of contributions in the name of another, by adding IECs at subsection (a) to reflect that an IEC cannot receive an anonymous contribution or a contribution in the name of another, and to further reflect that no person may contribute funds not belonging to the person to an IEC, and to add IECs to the list of entities at subsection (b) to reflect that a contribution will not be deemed anonymous if the identity of the contributor was known at the time of receipt.

Subchapter 12. Reporting of Expenditures: Independent Expenditures

The Commission proposes to amend N.J.A.C. 19:25-12.7, Independent expenditures, by adding IECs to the list of entities that may make an independent expenditure at subsection (a). Subsection (a) is further amended by conforming the definition of independent expenditure to N.J.S.A. 19:44A-3v, as discussed above, and subsection (b) similarly amended. New subsection (c) describes the functional equivalent of express advocacy by stating the considerations required at N.J.S.A. 19:44A-3v.

The Commission proposes new N.J.A.C. 19:25-12.7A, Coordinated communication expenditures, to implement N.J.S.A. 19:44A-3.1 by differentiating coordinated expenditures from independent expenditures. Subsection (a) provides six examples of coordination with a candidate or political party. Coordination exists if the candidate, staff member, or agent of the candidate, political party, or candidate committee: 1. Was involved in the production or circulation of the communication by cooperating with, consenting to, authorizing, or exercising control over it; 2. Requested or suggested the expenditure; 3. Provided information regarding content, timing, location, mode, intended audience, distribution, or placement; 4. Discussed with the purchaser, creator, producer, or distributor any of the details at paragraph (a)3; 5. Had discussions or shared information on campaign or media strategy with the entity making the expenditure or the creator, producer, or distributor; or 6. Shared polling or other data with the entity making the expenditure. Subsection (b) clarifies that a coordinated communication expenditure that is a political communication pursuant to N.J.A.C. 19:25-10.10, is a contribution to the recipient candidate or committee and is subject to contribution limits.

The Commission proposes to add N.J.A.C. 19:25-12.8, Reporting of independent expenditures, to indicate that independent expenditures by IECs must be reported as set forth at Subchapter 8A.

Subchapter 13. Political Identification Statements

The Commission proposes new N.J.A.C. 19:25-13.2A, Independent expenditure committee political identification requirements, to implement the addition of IECs to N.J.S.A. 19:44A-22.3. Subsection (a) details political identification requirements for IECs, which match those for other entities, except for one additional requirement. An IEC must identify itself as an independent expenditure committee on the communication, in addition to all other required information. Subsection (b) clarifies that the same information must appear on communications by an entity organizing as an IEC, prior to filing Form D-6. Although N.J.S.A. 19:44A-22.3 does not expressly require an IEC to identify itself as an independent expenditure committee as a part of its political identification requirement, the Commission determined that identification as an IEC on the communication will provide key information to prospective voters that will help eliminate confusion.

The Commission proposes to amend N.J.A.C. 19:25-13.3, Independent expenditure communications, by correcting a cross-reference to N.J.A.C. 19:25-12.7.

The Commission proposes to amend N.J.A.C. 19:25-13.4, Vendor records, at subsection (a), to add communications subject to political identification pursuant to N.J.A.C. 19:25-13.2A to the existing text to require that any person accepting compensation from an IEC for printing,

broadcasting, or disseminating a communication subject to the political identification requirements must maintain a record of the transaction.

Subchapter 17. Complaints and Other Proceedings: Violations

The Commission proposes to amend N.J.A.C. 19:25-17.3, Penalties, at subsection (a), to add IECs to the list of entities subject to penalties for violating the Campaign Act. Although N.J.S.A. 19:44A-22 was not amended to specifically add IECs, the Commission determined that an IEC is a “person” regulated by the Campaign Act, pursuant to N.J.S.A. 19:44A-22 and, therefore, subject to penalties for violations of the Campaign Act. New subsection (d) indicates that an IEC that fails to include required political identification information is subject to a monetary penalty.

The Commission proposes to amend N.J.A.C. 19:25-17.3A, Penalties for failure to file, by adding Form D-6 to subsection (g).

Social Impact

Campaign Cost Index and Contribution Limits Adjustments

The Commission’s proposed amendments to the campaign cost index and contribution limits will affect candidates, candidate committees, joint candidates committees, recall committees, political committees, continuing political committees, political party committees, legislative leadership committees, treasurers, and persons and entities making contributions to candidates and committees, and expenditures to support or defeat candidates, committees, and public questions. The proposed amendments will provide notice of the increased thresholds that trigger the obligation to report financial activity to the Commission. The adjusted limits are responsive to changes in the economy and will have a beneficial impact because they permit spending by New Jersey candidates and committees to keep pace with economic changes. The limits, which have been adjusted largely upward in response to inflation, continue to serve the important statutory public policies of eliminating undue influence upon candidates from unlimited contributions and requiring reporting of political contributions and expenditures.

The proposed amendment to adjust the threshold that permits a committee to file the Form A-3 is beneficial because it reduces the filing burden on those committees that have minimal financial activity. The Commission believes that the proposed amendments to maintain a uniform threshold for all 72/24-hour notices filed with the Commission will have a positive social impact by serving as a “gap filler” to notify the public of large contributions and expenditures that would otherwise not be reported until after an election.

Proposed Amendments and New Rules Implementing Independent Expenditure Committees

By enacting P.L. 2023, c. 30, the Legislature intended to safeguard the public trust in the financing of elections while also protecting political speech in the form of independent expenditures and the contributors that support such groups. The proposed amendments and new rules will have a positive social impact because they implement the new statutory reporting obligations for independent expenditure committees.

The proposed amendments and new rules implement a significant legislative change by detailing the registration and reporting obligations of a new type of entity, the independent expenditure committee. Subject to the same registration and depository designation requirements as other entities pursuant to the Campaign Act, an IEC must disclose information about the persons that have established and are exercising control over the entity, as well as a statement of the economic, political, or other interests and objectives of the IEC. Such information was not necessarily available to the public in the past. Similarly, clear election fund report requirements, with reasonable contributor disclosure thresholds, and political identification requirements on communications to the voting public, create a system that balances the fundamental right to support a candidate and the public interest in disclosure of the sources of those funds. The statutory requirements implemented in this rulemaking will substantially enhance the public policy and disclosure purposes of the Campaign Act.

Economic Impact

Campaign Cost Index and Contribution Limits Adjustments

The principal parties to be affected by the adjustments to the thresholds in the Campaign Act are persons making independent expenditures in elections from the persons' own funds, candidates, candidate committees, joint candidates committees, recall committees, political committees, continuing political committees, political party committees, legislative leadership committees, treasurers of these entities, and contributors to these entities.

By adjusting the reporting thresholds in the Campaign Act to account for inflation in the costs of campaigns, the Commission's amendments continue to relieve candidates and certain committees with low levels of financial activity of the requirements to file detailed disclosure reports.

The Commission does not anticipate that adjustments to the 72/24-hour notice threshold for political party committees, legislative leadership committees, independent expenditure filers, or candidates will have any additional economic impact upon these entities.

Proposed Amendments and New Rules Implementing Independent Expenditure Committees

The Commission does not anticipate a significant economic impact on independent expenditure committees. The costs associated with political identification requirements and the preparation and filing reports in the proposed amendments and new rules will be minimal.

Federal Standards Statement

A Federal standards analysis is not required because the proposed amendments and new rules concern New Jersey individuals and/or entities that file with the Commission. The proposed amendments and new rules are not subject to any Federal requirements or standards.

Jobs Impact

The proposed amendments and new rules are not expected to have an impact on the generation or loss of jobs.

Agriculture Industry Impact

The proposed amendments and new rules are not expected to have any impact on the agriculture industry in the State of New Jersey.

Regulatory Flexibility Statement

Campaign Cost Index and Contribution Limit Adjustments

The Commission's proposed amendments do not impose any recordkeeping, reporting, or compliance requirements on small businesses, as that term is defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. It is conceivable that small businesses may be employed to provide goods or services to persons making independent expenditures in elections, candidates, candidate committees, joint candidate committees, political committees, continuing political committees, political party committees, and legislative leadership committees. The reporting and recordkeeping requirements generated by this rulemaking is solely on the candidates or committees that are purchasing such goods and services.

Proposed Amendments and New Rules Implementing Independent Expenditure Committees

The proposed amendment at N.J.A.C. 19:25-13.4 creates a recordkeeping obligation for vendors who accept compensation from an IEC for printing, broadcasting, or disseminating a communication to the voting public. This is identical to the existing obligation upon vendors to maintain records of transactions with other entities regulated by the Campaign Act. In all likelihood, this new obligation can be satisfied by current business practices. Otherwise, the proposed amendments and new rules do not impose any recordkeeping, reporting, or compliance requirements on small businesses, as that term is defined pursuant to the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq.

Housing Affordability Impact Analysis

The proposed amendments and new rules will have an insignificant impact on the affordability of housing in New Jersey and there is an extreme unlikelihood that the proposed amendments and new rules would evoke a change in the average costs associated with housing as the amendments and new rules concern New Jersey candidates, committees, and all other individuals and/or entities that file with the Commission.

Smart Growth Development Impact Analysis

The proposed amendments and new rules will have an insignificant impact on smart growth and there is an extreme unlikelihood that the amendments would evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, pursuant to the State Development and Redevelopment Plan in New Jersey because the proposed amendments and new rules concern New Jersey candidates, committees, and all other individuals and/or entities that file with the Commission.

Racial and Ethnic Community Criminal Justice and Public Safety Impact

The Commission has evaluated this rulemaking and determined that it will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Accordingly, no further analysis is required.

Full text of the proposal follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 1. GENERAL PROVISIONS

19:25-1.7 Definitions

The following words and terms, when used in this chapter and in the interpretation of the Act, shall have the following meanings unless a different meaning clearly appears from the context.

...
 "Continuing political committee" includes any group of two or more persons acting jointly, or any corporation, partnership, or any other incorporated or unincorporated association, including a political club, political action committee, civic association or other organization, which in any calendar year contributes, or expects to contribute, at least [\$7,200] **\$8,600** to aid or promote the candidacy of an individual, or the candidacies of individuals, for elective public office, or the passage or defeat of a public question or public questions, and which may be expected to make contributions toward such aid or promotion or passage or defeat during a subsequent election, provided that the group, corporation, partnership, association, or other organization has been determined by the Commission to be a continuing political committee in accordance with N.J.S.A. 19:44A-8.b. A continuing political committee does not include:

1. A candidate committee, joint candidates committee, political committee, political party committee [or a], legislative leadership committee, **or an independent expenditure committee.**

2. A contributor not involved in fundraising (that is, not soliciting or accepting contributions to aid or promote candidates, or the passage or defeat of public questions), and not conducting any election-related activity other than making contributions from its own funds to a candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, [or] legislative leadership committee, **or an independent expenditure committee.**

"Contribution" includes every loan, gift, subscription, advance, or transfer of money or other thing of value, including any in-kind contribution, made to or on behalf of any **candidate**, candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, or legislative leadership committee and any pledge or other commitment or assumption of liability to make such transfer. For purposes of reports required [under] **pursuant to** the provisions of the Act, any such commitment or assumption shall be deemed to have been a contribution upon the date when such commitment is made, or liability assumed. Funds or other benefits received solely for the purpose of determining whether an individual should become a candidate are contributions.

...
 "Depository," "campaign depository," and "organizational depository" mean any bank account, whether checking, savings, or other, that is established by a candidate, candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, [or] legislative leadership committee, **or independent expenditure committee** for the purpose of receiving contributions and making expenditures to aid or promote a candidate in an election, or to support or oppose a public question.

...
 “Independent expenditure committee” means a person or group organized pursuant to Section 527 of the Federal Internal Revenue Code (26 U.S.C. § 527) or pursuant to paragraph (4) or paragraph (6) of subsection (c) of Section 501 of the Federal Internal Revenue Code (26 U.S.C. § 501) that makes independent expenditures in excess of \$7,500, in the aggregate, in an election. An independent expenditure committee does not include:

1. An entity that falls within the definition of a candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, or legislative leadership committee.

2. A contributor not involved in fundraising (that is, not soliciting or accepting contributions to aid or promote candidates, or the passage or defeat of public questions), and not conducting any election-related activity other than making contributions from its own funds to a candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, or legislative leadership committee.

3. A person using the person’s own funds to make independent expenditures, as defined at N.J.A.C. 19:25-12.7(b).

...
 “Political committee” means any group of two or more persons acting jointly, or any corporation, partnership, or any other incorporated or unincorporated association, which is organized to, or does, aid or promote the nomination, election, or defeat of any candidate or candidates for public office, or which is organized to, or does aid or promote the passage or defeat of a public question in any election if the persons, corporation, partnership, or incorporated or unincorporated association raises or expends [\$3,200] **\$3,800** or more to so aid or promote the nomination, election, or defeat of a candidate or candidates or the passage or defeat of a public question. A group or association organized to promote the candidacy of one or more candidates or aid or defeat the passage of a public question, without a term of existence substantially longer than the campaign, is a political committee. Political committee does not include:

1. A candidate committee, joint candidates committee, continuing political committee, a political party committee, [or] a legislative leadership committee, or an independent expenditure committee.

2.-5. (No change.)

...
 “Resident address” means the address at which a person resides. The reporting of a resident address must contain all information necessary to enable service of process of the identified person at the address, including, but not limited to, any apartment, unit, suite, floor, or building number.

...
 “Testimonial affair” means an affair of any kind or nature including, without limitation, cocktail parties, breakfasts, luncheons, dinners, dances, picnics, or similar affairs directly or indirectly intended to raise campaign funds on behalf of a person who holds, or who is or was a candidate for nomination or election to public office in this State, or is directly or indirectly intended to raise funds on behalf of any candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, [and] legislative leadership committee, and independent expenditure committee.

19:25-1.9 Candidates and committees subject to thresholds and limits

(a) The reporting thresholds and contribution limits for candidates, candidate committees, joint candidates committees, political committees, continuing political committees, political party committees, and legislative leadership committees set forth in the Act and in the provisions of this chapter shall be applicable in any election subject to the Act pursuant to N.J.S.A. 19:44A-4 or in any recall election conducted pursuant to the Uniform Recall Election Law, N.J.S.A. 19:27A-1 et seq.

(b) The reporting thresholds for independent expenditure committees set forth in the Act and in the provisions of this chapter shall be applicable to any election subject to the Act pursuant to N.J.S.A. 19:44A-4 or in any recall election conducted pursuant to the Uniform Recall Election Law, N.J.S.A. 19:27A-1 et seq.

SUBCHAPTER 3. ELECTRONIC FILING

19:25-3.3 Registration and personal identification number

(a)-(b) (No change.)

(c) All treasurers and chairpersons of political committees, continuing political committees, political party committees, [and] legislative leadership committees, and independent expenditure committees must each obtain a registration number and PIN.

(d)-(g) (No change.)

SUBCHAPTER 4. ESTABLISHMENT OF REPORTING COMMITTEES

19:25-4.4 Establishment of a political committee

(a) A political committee shall be established by appointing a treasurer and establishing a depository no later than the date on which the political committee first receives any contribution or makes or incurs any expenditure that, when combined with other contributions received in an election, or expenditures made or incurred in an election, totals [\$3,200] **\$3,800** or more.

(b)-(d) (No change.)

(e) A political committee shall file a registration statement and designation of campaign depository for each election in which it raises or expends [\$3,200] **\$3,800** or more to aid or promote the nomination, election, or defeat of a candidate or candidates, or the passage or defeat of a public question.

(f) (No change.)

19:25-4.5 Establishment of a continuing political committee

(a) An organization shall become eligible to be certified by the Commission as a continuing political committee by appointing an organizational treasurer and organizational depository no later than the date on which the prospective continuing political committee first receives any contribution or makes or incurs any expenditure that when combined with other contributions received or expenditures made in a calendar year totals [\$7,200] **\$8,600** or more.

(b)-(e) (No change.)

19:25-4.8 Approval of abbreviation or acronym as name

A political committee, continuing political committee, [or] legislative leadership committee, or independent expenditure committee shall apply to the Commission for approval to use an abbreviation or acronym of its complete official name on reports filed with the Commission. The Commission shall verify that the abbreviation or acronym has not been approved for use by any other committee and shall notify the applicant either that its use of the abbreviation or acronym is approved or that the political committee, continuing political committee, [or] legislative leadership committee, or independent expenditure committee must select a different abbreviation or acronym for approval.

19:25-4.9 Establishment of an independent expenditure committee

(a) An independent expenditure committee shall be established in an election by appointing a treasurer and designating a depository no later than the date on which the independent expenditure committee first makes or incurs independent expenditures that when combined with other independent expenditures made or incurred in the election, exceed \$7,500.

(b) No later than 10 days after an independent expenditure committee is established, the independent expenditure committee shall file a registration statement and designation of campaign depository (Form D-6) containing the following information for each depository the independent expenditure committee has established:

1. The full name of the independent expenditure committee and identifying title, if different, which name or identifying title may not currently be in use by another independent expenditure committee;

2. The mailing address of the independent expenditure committee, and the name, and residential address of a resident of New Jersey who is designated by the committee as the agent of the independent expenditure committee to receive service of legal process;

3. The name, mailing address, and telephone number of the person appointed as chairperson, if any;

4. The name, mailing and residential address, and telephone number of the person appointed as treasurer;

5. The name, mailing address, and telephone number of the bank at which the campaign depository has been established, the account name and number, and the names, mailing addresses, and telephone numbers of all persons authorized to sign checks or otherwise make transactions;

6. The general organizational category or affiliation of the independent expenditure committee, including, but not limited to, support of or opposition to a candidate, public officeholder, or public question or support of or affiliation with a business, union, professional or trade association, ideological group, civic association or other entity; and

7. A descriptive statement prepared by the organizers or officers that identifies:

i. The names and mailing addresses of the persons having control over the affairs of the independent expenditure committee, including, but not limited to, persons in whose name or at whose direction or suggestion the committee solicits funds or makes independent expenditures or electioneering communications;

ii. The names and mailing addresses of persons not previously identified pursuant to (b)7i above who, directly or through an agent, participated in the initial organization of the committee;

iii. In the case of any identified person who is an individual, the occupation of that individual, home address, and name and mailing address of the individual's employer;

iv. In the case of any identified person that is a corporation, partnership, unincorporated association, or other organization, the name and mailing address of the organization; and

v. The economic, political, or other particular interests and objectives that the independent expenditure committee has been organized to or does advance.

(c) The registration statement and designation of campaign depository shall be certified as true and correct by the chairperson and treasurer, and they shall further certify that no candidate has established, authorized the establishment of, maintained or participated directly or indirectly in the management or control of the independent expenditure committee, and no candidate shall be permitted to do so during the existence of the independent expenditure committee.

(d) The independent expenditure committee shall file an amendment to the registration statement and designation of campaign depository no later than three days after any of the information required at (b) above changes.

(e) An independent expenditure committee shall file a registration statement and designation of campaign depository for each election in which it makes or incurs independent expenditures in excess of \$7,500.

(f) No foreign national, government, instrumentality, or agent may register as an independent expenditure committee for the purpose of making independent expenditures in any election.

SUBCHAPTER 5. APPOINTMENT OF CAMPAIGN OFFICERS AND DEPOSITORIES

19:25-5.1 Qualifications of campaign or committee officers

(a)-(b) (No change.)

(c) Notwithstanding (a) above, no person serving as the chairperson of a political party committee or a legislative leadership committee shall be eligible to be appointed to or serve as:

1.-2. (No change.)

3. Chairperson, organizational treasurer, or deputy organizational treasurer of a continuing political committee[.]; or

4. Chairperson, campaign treasurer, or deputy campaign treasurer of an independent expenditure committee.

(d) (No change.)

19:25-5.3 Required treasurer training

(a) (No change.)

(b) Each organizational treasurer of a State political party committee or of a legislative leadership committee shall, on or before filing a

designation of organizational treasurer and depository pursuant to N.J.A.C. 19:25-4, be a trained organizational treasurer, who has completed a treasurer training program offered by the Commission or shall complete such training within 90 days of appointment as an organizational treasurer. An organizational treasurer of any other political party committee, [or a] continuing political committee, **or an independent expenditure committee** may be a trained treasurer.

19:25-5.4 Deputy treasurers and additional depositories

(a) (No change.)

(b) A campaign treasurer of a political committee **or an independent expenditure committee**, or an organizational treasurer of a political party committee, a continuing political committee, or a legislative leadership committee, may appoint deputy campaign or organizational treasurers, and may designate additional campaign organizational depositories.

(c)-(d) (No change.)

SUBCHAPTER 6. RECEIPT AND USE OF FUNDS

19:25-6.1 Receipt and deposit of funds

(a) (No change.)

(b) Funds received by an independent expenditure committee shall be delivered to the campaign treasurer and deposited by that treasurer in the campaign depository within 10 days of receipt by the committee.

[(b)] (c) The date of receipt by a committee of any funds is the date on which a campaign or organizational treasurer, or any other person so authorized, receives funds on behalf of the candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, [or] legislative leadership committee, **or independent expenditure committee**.

19:25-6.4 Expenditures through treasurer

(a) No expenditure of money or other thing of value, nor obligation therefor, including but not limited to, expenditures, **independent expenditures**, loans, or obligations of a candidate or of the candidate's family, shall be made or incurred, directly or indirectly, by a candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, [or] legislative leadership committee, **or independent expenditure committee**, except through:

1. The duly appointed campaign treasurer or deputy campaign treasurers of the candidate committee, joint candidates committee, [or] political committee, **or independent expenditure committee**; or

2. (No change.)

(b) (No change.)

SUBCHAPTER 7. RECORDKEEPING

19:25-7.1 Recordkeeping requirements

(a) An organizational or campaign treasurer, or deputy organizational or campaign treasurer of a candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, [or] legislative leadership committee, **or independent expenditure committee** shall make and maintain a written record of all funds and contributions, including non-monetary contributions, and shall record the name and address of the contributor, the amount and date the contribution was received, the name of the account on which a contribution check is drawn and if the contributor is an individual, the occupation of the individual, and the name and mailing address of the individual's employer.

(b) An organizational or campaign treasurer, or deputy organizational or campaign treasurer, of a candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, [or] legislative leadership committee, **or independent expenditure committee** shall make and maintain a written record of all funds expended by the committee, including the name and address of the recipient, the amount and date of the expenditure, and the purpose of the expenditure. The organizational or campaign treasurer, or deputy organizational or deputy campaign treasurer, shall include as part of the record of each expenditure a receipt, invoice, bill, or other documentation for each expenditure made from each campaign, organizational, or additional depository.

(c) (No change.)

(d) A candidate, the candidates of a joint candidates committee, or the chair of a political committee, continuing political committee, political party committee, [or] legislative leadership committee, **or independent expenditure committee** shall take such steps as are necessary and appropriate to [insure] **ensure** that a campaign treasurer, or organizational treasurer, appointed by the candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, [or] legislative leadership committee, **or independent expenditure committee** complies with the recordkeeping requirements of this section and this chapter.

SUBCHAPTER 8. CANDIDATE, JOINT CANDIDATES, AND POLITICAL COMMITTEE REPORTING

19:25-8.2B Transferring funds to a future election

(a) A candidate maintaining a depository account for an election that intends to seek election to any office subject to the Act in a future election may transfer the funds remaining in the depository account, and any outstanding obligations and liabilities, to a depository account for the future election, provided that the candidate is not a candidate for both elections simultaneously.

1. Upon transferring the balance to the future election, the candidate shall finalize reporting for the prior election pursuant to N.J.A.C. 19:25-8.7;

2. The transferred funds shall be reported as the opening balance for the future election; and

3. The candidate must file a new designation of depository for the future election pursuant to N.J.A.C. 19:25-4.1A or 4.2, which may be the same depository account used for the prior election.

(b) A candidate shall be considered a candidate for two elections simultaneously if the candidate receives a contribution or makes or incurs an expenditure for the future election before reporting is finalized for the prior election.

(c) A candidate for two elections simultaneously shall not transfer funds from one depository account to another depository account in excess of the contribution limit from a candidate committee to a candidate committee as provided at N.J.A.C. 19:25-11.2.

19:25-8.4 Candidate certified statements (Form A-1 or A-2)

(a) There shall be no obligation to file the election fund reports referred to at N.J.A.C. 19:25-8.1 on behalf of any candidate committee of a candidate who files no later than five months after the date on which the committee is established, or no later than the 29th day before the election in which the candidate is seeking office, whichever is earlier, a certified statement (Form A-1) to the effect that the total amount expended or to be expended on behalf of his or her candidacy by the candidate committee, or by any candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, legislative leadership committee, or person shall not, in the aggregate, exceed [\$5,800] **\$6,900** in that election.

(b) There shall be no obligation to file the election fund reports referred to at N.J.A.C. 19:25-8.1 on behalf of a joint candidates committee if the joint committee files no later than five months after the date on which the committee is established, or no later than the 29th day before the election in which the joint candidates are seeking office, whichever is earlier, a certified statement (Form A-2) to the effect that the total amount to be expended on behalf of the joint candidacies by the joint candidates committee or by any candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, legislative leadership committee, or person shall, not in the aggregate, exceed the following amounts:

1. In the case of a joint candidates committee consisting of two candidates, [\$11,000] **\$13,100** in the election; or

2. In the case of a joint candidates committee consisting of three or more candidates, [\$15,800] **\$18,700** in the election.

(c) If a candidate committee or joint candidates committee that has filed a certified statement receives any contribution from any one source aggregating more than \$200.00, or receives a currency contribution in any amount, it shall file a report (Form C-1) that shall provide the name and mailing address of the source, the date or dates received, and the aggregate

total amount of contributions therefrom, and where the source is an individual, the occupation of the individual and the name and mailing address of the individual's employer. The report shall be signed by the candidate or campaign treasurer and filed no later than:

1.-4. (No change.)

(d) (No change.)

(e) A candidate shall not be eligible to file a sworn statement (Form A-1) in an election if that candidate controls or retains campaign funds from any prior election for the same office in an amount that exceeds [\$5,800] **\$6,900**.

(f) A joint candidates committee consisting of two candidates shall not be eligible to file a sworn statement (Form A-2) in an election if the candidates comprising that joint candidates committee control or retain campaign funds from any prior election for the same offices in an amount that exceeds [\$11,000] **\$13,100**, or in the case of a joint candidates committee consisting of more than two candidates, if the candidates comprising the joint candidates committee retain funds from any prior election for the same offices in an amount that exceeds [\$15,800] **\$18,700**.

19:25-8.6 Contributions received immediately before an election

(a) A candidate, or a campaign treasurer of a candidate committee or joint candidates committee, shall file a notice (Form C-1 or 72/24-HR) of any contribution in excess of [\$200.00] **\$300.00**, or any aggregate contributions from a contributor, which total in excess of [\$200.00] **\$300.00**, received on or after the 13th day preceding the date of an election in which the candidate, or joint candidates, is, or are, seeking election, and received up to and including the date of the election, which notice shall contain:

1.-5. (No change.)

(b) (No change.)

19:25-8.6A Expenditure made immediately before an election

(a) A candidate, or a campaign treasurer of a candidate committee or joint candidates committee, shall file a notice (Form E-1 or 72/24-HR) with the Commission of an expenditure of money or other thing of value in excess of [\$200.00] **\$300.00**, or aggregate expenditures that total in excess of [\$200.00] **\$300.00**, made, incurred, or authorized by the candidate committee or joint candidates committee to support or defeat a candidate in an election, or to aid the passage or defeat of any public question, during the period of time between the 13th day prior to the election and the date of the election, which notice shall contain:

1-3. (No change.)

(b)-(c) (No change.)

19:25-8.8 Political committee election fund reports

(a) A political committee receiving or expending [\$3,200] **\$3,800** or more in an election shall file election fund reports of all contributions received, all expenditures made, and all other financial transactions of its election fund subject to reporting, and such reports shall be filed on the same dates and be pertinent to the same periods of time as set forth at N.J.A.C. 19:25-8.1 for candidate committee reports.

(b) (No change.)

19:25-8.9 Political committee contributions received immediately before an election

(a) A campaign treasurer of a political committee shall file a notice (Form C-1 or 72/24-HR) of any contribution in excess of [\$200.00] **\$300.00**, or any aggregate contributions from a contributor, which total in excess of [\$200.00] **\$300.00**, received on or after the 13th day preceding the date of the election and received up to and including the date of the election, which notice shall contain:

1.-5. (No change.)

(b) (No change.)

19:25-8.10 Political committee expenditures made immediately before an election

(a) A campaign treasurer of a political committee shall file a notice (Form E-1 or 72/24-HR) of any expenditure of money or other thing of value in excess of [\$200.00] **\$300.00** made, incurred, or authorized by the political committee to support or defeat a candidate in an election, or to aid the passage or defeat of a public question, which expenditure is made, incurred, or authorized on or after the 13th day preceding the date of the

election and up to and including the date of the election. The notice shall contain:

- 1.-3. (No change.)
- (b) (No change.)

SUBCHAPTER 8A. INDEPENDENT EXPENDITURE COMMITTEES

19:25-8A.1 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings unless a different meaning clearly appears from the context.

“Contributions” mean all transfers of money, loans, paid personal services, or other things of value made to an independent expenditure committee for the purpose of furthering independent expenditures.

“Electioneering communication” means an independent expenditure that:

1. Expressly supports or opposes a clearly identified candidate or public question, or that is the functional equivalent of express advocacy supporting or opposing a clearly identified candidate or public question;

2. Is made within 30 days of a primary election or within 60 days of a municipal, runoff, school board, special election, or general election in which the identified subject of the communication is a candidate, or the identified public question is to be voted upon by the voters of the State or any political subdivision thereof; and

3. Is targeted to the relevant electorate of persons eligible to vote for or against the identifiable candidate or the identifiable public question.

“Functional equivalent of express advocacy” means that a communication is unable to be interpreted by a reasonable person in any way other than supporting or opposing the clearly identified candidate or public question.

“Independent expenditure” means an expenditure by an independent expenditure committee for the purpose of expressly advocating the election or defeat of a clearly identified candidate, or expressly advocating the passage or defeat of a public question, or such an expenditure that amounts to the functional equivalent of express advocacy, that is not coordinated with a candidate or any person or committee acting on behalf of a candidate or political party.

19:25-8A.2 Prohibited activity

(a) An independent expenditure committee shall not:

1. Coordinate with a candidate or political party committee as defined at N.J.A.C. 19:25-12.7A; or
2. Contribute to any entity subject to the contribution limits provided at N.J.A.C. 19:25-11.2.

19:25-8A.3 Independent expenditure committee election fund reports

An independent expenditure committee making an electioneering communication in an election shall file election fund reports of all contributions received and all independent expenditures made, and all other transactions of its election fund subject to reporting, and such reports shall be filed according to the time periods prescribed at N.J.A.C. 19:25-8A.4.

19:25-8A.4 Election cycle reports

(a) An independent expenditure committee making an electioneering communication pertaining to the primary election shall file election-cycle reports, as follows:

1. An 11-day pre-election report shall be due for filing on the 11th day before the election. The 11-day pre-election report shall include all contributions received and all independent expenditures made beginning on January 1 of the preceding year and ending on the 14th day prior to the election; and

2. A 20-day post-election report shall be due for filing on the 20th day following the election. The 20-day post-election report shall include all contributions received and all independent expenditures made beginning with the 13th day prior to the election and ending on the 17th day following the election.

(b) An independent expenditure committee making an electioneering communication pertaining to a municipal, runoff, school board, special election, or general election shall file election-cycle reports, as follows:

1. A 29-day pre-election report shall be due for filing on the 29th day before the election. The 29-day pre-election report shall include all contributions received and all independent expenditures made beginning on January 1 of the preceding year and ending on the 32nd day prior to the election;

2. An 11-day pre-election report shall be due for filing on the 11th day before the election. The 11-day pre-election report shall include all contributions received and all independent expenditures made beginning with the 31st day prior to the election and ending on the 14th day prior to the election; and

3. A 20-day post-election report shall be due for filing on the 20th day following the election. The 20-day post-election report shall include all contributions received and all independent expenditures made beginning with the 13th day prior to the election and ending on the 17th day following the election.

(c) The campaign treasurer of the independent expenditure committee shall file and certify the correctness of the reports described at (a) and (b) above.

19:25-8A.5 Contribution reporting

(a) A contribution received by an independent expenditure committee during an election fund report period established at N.J.A.C. 19:25-8A.4 in an amount in excess of \$7,500, or aggregate contributions received in the election from a contributor in excess of \$7,500 during such a report period must be reported by providing the following information:

1. The date the contribution was received or, if more than one contribution was received in the reporting period, the dates the aggregate contributions were received;

2. The name and mailing address of the contributor;

3. If the contributor is an individual, the occupation of the individual and the name and mailing address of the individual’s employer;

4. The amount of the contribution, or amount of the aggregate contributions in the reporting period; and

5. The total amount of all contributions received from the contributor in the election to date.

(b) A contribution received by an independent expenditure committee in an amount of \$7,500 or less in the election must be reported on the election fund report required pursuant to N.J.A.C. 19:25-8A.4 for the time period in which the contribution was received by including the amount of the contribution in the total sum reported in the report for all contributions received in the amount of \$7,500 or less, but the name and the mailing address of the contributor or the occupation of a contributor who is an individual and the name and mailing address of the individual’s employer is not required to be reported.

(c) At any time during the election, if the aggregate amount received from a contributor by an independent expenditure committee exceeds the sum of \$7,500, the contribution resulting in aggregate contributions totaling more than \$7,500 and each subsequent contribution (regardless of amount) received from the contributor during the election must be reported on the pertinent election fund report in the manner described at (a) above.

19:25-8A.6 Independent expenditure reporting

(a) An independent expenditure shall be reported by providing the following information:

1. The date the expenditure was made;

2. The full name and address of the payee;

3. The purpose of the expenditure;

4. The amount of the expenditure; and

5. The number of the check or type of transaction, whether electronic transfer of funds, debit card, or credit card.

(b) In addition to the information at (a) above, an independent expenditure committee shall identify the name of the candidate(s) or

public question, the election date, and the location of the election for each independent expenditure.

19:25-8A.7 Time and place of filing reports

(a) All reports required to be filed must be received by the Commission no later than 5:00 P.M. on the date the report is due for filing in order to be deemed timely filed.

(b) An independent expenditure committee shall, for the period of time provided at N.J.A.C. 19:25-7.3, retain an exact copy of each report as that report has been filed with the Commission.

SUBCHAPTER 9. CONTINUING POLITICAL COMMITTEE, POLITICAL PARTY COMMITTEE, AND LEGISLATIVE LEADERSHIP COMMITTEE REPORTING

19:25-9.2 Certified statement (Form A-3)

(a) There shall be no obligation to file the quarterly reports referred to at N.J.A.C. 19:25-9.1 on behalf of a continuing political committee, political party committee, or legislative leadership committee that files no later than January 15 of a calendar year a certified statement (Form A-3) to the effect that the total amount to be raised or expended in that calendar year shall not exceed [\$7,200] **\$8,600**. Such committee is required to file the certified statement (Form A-3) notwithstanding that the committee did not receive any contribution or make any expenditure in a calendar year.

(b) In the event that a continuing political committee, political party committee, or legislative leadership committee files a certified statement (Form A-3) pursuant to (a) above, and total expenditures exceed [\$7,200] **\$8,600** during the calendar year for which the statement was filed, the committee shall:

1. File a quarterly report pursuant to N.J.A.C. 19:25-9.1 on the date relevant to the calendar year quarter in which [\$7,200] **\$8,600** of expenditures was exceeded, and that quarterly report shall include all contributions received and all expenditures made from the beginning of the calendar year; and

2. (No change.)

(c) (No change.)

19:25-9.3 Contributions received immediately before an election

(a) An organizational treasurer of a continuing political committee, a political party committee, or a legislative leadership committee shall file a notice (Form C-3 or 72/24-HR) with the Commission of any contribution in excess of [\$200.00] **\$300.00**, or any aggregate contributions from a contributor, which total in excess of [\$200.00] **\$300.00**, received after the closing date of its most recent quarterly report and on or before the date of an election in which the committee has made or intends to make any contribution or expenditure to aid or promote any candidate or the passage or defeat of any public question. The closing dates of quarterly reports are set forth at N.J.A.C. 19:25-9.1(a).

(b)-(c) (No change.)

19:25-9.4 Continuing political committee expenditures made immediately before a primary or general election

(a) An organizational treasurer of a continuing political committee shall file a notice (Form E-3 or 72/24-HR) of an expenditure of money or other thing of value in excess of [\$200.00] **\$300.00**, or aggregate expenditures that total in excess of [\$200.00] **\$300.00**, made, incurred, or authorized in a primary or general election by the continuing political committee to support or defeat a candidate, or to aid the passage or defeat of a public question, which expenditure is, or aggregate expenditures are, made, incurred, or authorized after March 31 and on or before the day of the primary election, or after September 30, and on or before the day of the general election. The notice shall contain:

1.-3. (No change.)

(b) (No change.)

19:25-9.4A Political party committee and legislative leadership committee expenditures made immediately before a primary or general election

(a) An organizational treasurer of a political party committee or an organizational treasurer of a legislative leadership committee shall file a notice (Form E-3 or 72/24-HR) of an expenditure of money or other thing

of value in excess of [\$200.00] **\$300.00**, or aggregate expenditures that total in excess of [\$200.00] **\$300.00**, made, incurred, or authorized in a primary or general election by the political party committee or legislative leadership committee to support or defeat a candidate, or to aid the passage or defeat of a public question, which expenditure is, or aggregate expenditures are made, incurred, or authorized after March 31 and on or before the day of the primary election, or after September 30 and on or before the day of the general election. The notice shall contain:

1.-3. (No change.)

(b) (No change.)

SUBCHAPTER 10. CONTRIBUTION REPORTING

19:25-10.6 Currency contributions

(a) A candidate, candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, [or] legislative leadership committee, **or independent expenditure committee**, or the treasurer or organizational treasurer of such committee, may accept a contribution in the form of currency provided that it is received in an aggregate amount not to exceed \$200.00 in an election, or a calendar year, whichever is applicable to the recipient candidate or committee, and provided the contributor simultaneously submits a written record to the committee or treasurer containing the following:

1.-5. (No change.)

(b) A contributor may make a contribution in the form of currency provided that the contribution in an aggregate amount does not exceed \$200.00 in an election to a candidate, candidate committee, joint candidates committee, [or] political committee, **or independent expenditure committee**, or does not exceed \$200.00 in a calendar year to a continuing political committee, political party committee, or legislative leadership committee, and provided such contributor shall simultaneously submit to the committee or its treasurer a written record containing the following:

1.-5. (No change.)

(c) (No change.)

19:25-10.7 Public solicitations

(a) The term “public solicitation” means any activity by or on behalf of any candidate, political committee, continuing political committee, candidate committee, joint candidates committee, legislative leadership committee, [or] political party committee, **or independent expenditure committee**, whereby either:

1.-2. (No change.)

(b)-(c) (No change.)

19:25-10.8 Prohibition of anonymous contributions and of contributions in the name of another

(a) No contribution shall be made by a person or received by a candidate, candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, [or] legislative leadership committee, **or independent expenditure committee** on an anonymous basis, that is without making known, or knowing, the identity of the person making the contribution, or in a fictitious name, or by one person or group in the name of another, and no person shall contribute or purport to contribute to any candidate, candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, [or] legislative leadership committee, **or independent expenditure committee**, any funds or property not actually belonging to him or her and in his or her full custody and control, or which have been given or furnished to him or her by any other person or group for the purpose of making a contribution thereof.

(b) A contribution shall not be deemed anonymous if the identity of the contributor was known to the candidate, candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, [or] legislative leadership committee, **or independent expenditure committee**, or to the treasurer or organizational treasurer of such committee, at the time when the contribution was received, even though the committee or treasurer may later be unable to identify the contributor because of loss or destruction of records. Nothing in this subsection shall be construed to prevent the

Commission from imposing a penalty pursuant to the Act or this chapter for failure to keep proper records.

(c) (No change.)

committees, continuing political committees, legislative leadership committees, and State, county, or municipal political party committees, except that the chart does not apply to contributions made to candidates for Governor and Lieutenant Governor:

SUBCHAPTER 11. CONTRIBUTION LIMITS

19:25-11.2 Contribution limit chart

(a) The following chart sets forth the contribution limits applicable in an election, or in a calendar year, as the case may be, to persons or entities making contributions to candidates, candidate committees, political

ADJUSTED CONTRIBUTION LIMITS FOR NON-GUBERNATORIAL CANDIDATES AND COMMITTEES

Entities Receiving Contributions

Entities Making Contributions	Candidate Committee	Political Committee	Continuing Political Committee	Legislative Leadership Committee	State Political Party Committee	County Political Party Committee	Municipal Political Party Committee
Individual to:	[\$5,200] \$5,500 per election	[\$14,400] \$15,200 per election	[\$14,400] \$15,200 per year	[\$75,000] \$79,000 per year	[\$75,000] \$79,000 per year	[\$75,000] \$79,000 per year	[\$14,400] \$15,200 per year
Corporation or Union to:	[\$5,200] \$5,500 per election	[\$14,400] \$15,200 per election	[\$14,400] \$15,200 per year	[\$75,000] \$79,000 per year	[\$75,000] \$79,000 per year	[\$75,000] \$79,000 per year	[\$14,400] \$15,200 per year
Association or Group to:	[\$5,200] \$5,500 per election	[\$14,400] \$15,200 per election	[\$14,400] \$15,200 per year	[\$75,000] \$79,000 per year	[\$75,000] \$79,000 per year	[\$75,000] \$79,000 per year	[\$14,400] \$15,200 per year
Candidate Committee to:	[\$16,400] \$17,300 per election	[\$14,400] \$15,200 per election	[\$14,400] \$15,200 per year	[\$75,000] \$79,000 per year	[\$75,000] \$79,000 per year	[\$75,000] \$79,000 per year	[\$14,400] \$15,200 per year
Political Committee to:	[\$16,400] \$17,300 per election	[\$14,400] \$15,200 per election	[\$14,400] \$15,200 per year	[\$75,000] \$79,000 per year	[\$75,000] \$79,000 per year	[\$75,000] \$79,000 per year	[\$14,400] \$15,200 per year
Continuing Political Committee to:	[\$16,400] \$17,300 per election	[\$14,400] \$15,200 per election	[\$14,400] \$15,200 per year	[\$75,000] \$79,000 per year	[\$75,000] \$79,000 per year	[\$75,000] \$79,000 per year	[\$14,400] \$15,200 per year
Legislative Leadership Committee				NO LIMITS			
State Political Party Committee to:				NO LIMITS			
County Political Party Committee to:						NO LIMITS, except those set forth at N.J.A.C. 19:25-11.7 for a county political party committee.	
Municipal Political Party Committee to:				NO LIMITS			
National Political Party Committee to:	[\$16,400] \$17,300 per election	[\$14,400] \$15,200 per election	[\$14,400] \$15,200 per year	[\$75,000] \$79,000 per year	[\$144,000] \$152,000 per year	[\$75,000] \$79,000 per year	[\$14,400] \$15,200 per year
Any Contributor to a Housekeeping Account	N/A	N/A	N/A	N/A	[\$37,500] \$39,500 per year	[\$37,500] \$39,500 per year	N/A

(b)-(c) (No change.)

19:25-11.4 Joint candidates committee contribution limits

(a) A joint candidates committee established by candidates who have not established any candidate committees in an election may accept a contribution from a contributor in an amount equal to but not in excess of the sum of the number of candidates participating in the joint candidates committee multiplied by the contribution limit applicable to a contribution made by the contributing entity to a candidate committee of a single candidate.

Example: A joint candidates committee in which three candidates are participating, none of whom have established candidate committees, may receive from an individual a contribution not to exceed \$[15,600] **\$16,500** in an election, that is three multiplied by the \$[5,200] **\$5,500** contribution limit applicable to a contribution from an individual to a candidate committee.

(b) A joint candidates committee established by candidates who have not established any candidate committees in an election may make a contribution to a political committee not to exceed \$[14,400] **\$15,200** per candidate in the election, and may make a contribution to a continuing political committee not to exceed \$[14,400] **\$15,200** per candidate in a calendar year.

(c) (No change.)

(d) A joint candidates committee may receive a contribution in an election from another joint candidates committee in an amount equal to \$[16,400] **\$17,300** multiplied by the number of candidates participating in the contributing joint candidates committee, and that sum may be further multiplied by the number of the candidates participating in the recipient joint candidates committee, provided that the contributing joint candidates committee, and any candidate committee established by any of the participating candidates, have not made any other contributions to the recipient joint candidates committee, or to any candidate committee established by any of the candidates participating in the recipient joint candidates committee.

Example: Joint candidates committee ABC has three candidates participating in it (candidates A, B, and C) and wishes to make a contribution to a joint candidates committee DEFG with four candidates participating in it (candidates D, E, F, and G). Neither the joint candidates committee ABC, nor any individual candidate committee established by candidates A, B, or C, has made any contributions in the election to the joint candidates committee DEFG, or to any individual candidate committee established or maintained by candidates D, E, F, or G. Joint candidates committee ABC may contribute the sum of \$[196,800] **\$207,600** in the election to joint candidates committee DEFG, that is \$[16,400] **\$17,300** multiplied by three (that is, the three candidates participating in ABC), for a total of \$[49,200] **\$51,900**, further multiplied by four (that is, the four candidates participating in DEFG) for a total maximum permissible contribution in the election of \$[196,800] **\$207,600**.

(e) In the event that a joint candidates committee makes a contribution to another joint candidates committee as described at (c) above, but there have been one or more contributions by the contributing joint candidates committee, or by a candidate committee established by one of the joint candidates committee's candidates, to one or more candidate committees of a candidate or candidates participating in the recipient joint candidates committee, or to the recipient joint candidates committee, the amount of a contribution that the recipient joint candidates committee may receive cannot, after application of the equal attribution requirement set forth at N.J.A.C. 19:25-11.5, exceed \$[16,400] **\$17,300** per candidate in the election.

19:25-11.5 Equal attribution requirements

(a) (No change.)

(b) Each contribution received in an election by the joint candidates committee of a candidate who has also established a candidate committee in that election must be equally attributed to each of the candidates participating in the joint candidates committee, and the contribution limits in this subchapter must be applied to those participating candidates and to any candidate committee established by any of the participating candidates.

1. Example: The ABC joint candidates committee, consisting of Candidates A, B, and C, receives a contribution from an individual in the

amount of \$[15,600] **\$16,500** in an election. For purposes of applying the contribution limits to the participating candidates and their individual candidate committees, the contribution must be equally attributed to each of the three participating candidates so that each is deemed to have received a contribution in the amount of \$[5,200] **\$5,500** in the election from the contributor. The sum of \$[5,200] **\$5,500** is the maximum amount an individual can contribute to a candidate in an election. Therefore, no further contributions can be made by the contributor in the election to the ABC joint candidates committee, or to any candidate committee established in the election by candidates A, B, or C.

2. Example: The ABC joint candidates committee receives a contribution of \$300.00 in an election from a contributor who has contributed \$[5,200] **\$5,500** in that election to an individual candidate committee established or maintained by candidate A. The sum of \$[5,200] **\$5,500** is the maximum amount an individual can contribute to a candidate committee in an election. Application of the equal attribution requirement set forth at (a) above would result in the attribution of \$100.00 to Candidate A of the total \$300.00 contribution to joint candidates committee ABC. Since the sum of the amount contributed to the candidate committee of A \$[5,200] **\$5,500**, plus the attribution of \$100.00 of the \$300.00 contribution made to the ABC joint candidates committee, results in a total contribution from the contributor in the election of \$[5,300] **\$5,600** to Candidate A, the ABC joint candidates committee must refund the \$300.00 contribution to avoid receipt of an excessive contribution, or alternatively, the candidate committee of A must refund \$100.00 in order that the total contribution from the contributor in the election does not exceed the \$[5,200] **\$5,500** per election contribution limit of candidate A.

19:25-11.7 County political party contribution limits

(a) In addition to the limits set forth at N.J.A.C. 19:25-11.2, a county political party committee shall not make a contribution, or aggregate contributions, in excess of \$[16,400] **\$17,300** in an election to a candidate committee established by a candidate seeking election for an office in another county.

(b) In addition to the limits set forth at N.J.A.C. 19:25-11.2, a county political party committee shall not make a contribution, or aggregate contributions, in excess of \$[14,400] **\$15,200** in a calendar year to a municipal political party committee in another county.

(c) In addition to the limits set forth at N.J.A.C. 19:25-11.2, a county political party committee may make contributions, or aggregate contributions, subject to the following limits:

1. To a candidate for State Legislature in a legislative district in which less than 20 percent of the legislative district's population resides in the county of the contributing county political party committee, a contribution not to exceed \$[16,400] **\$17,300** in the election; and

2. To a candidate for State Legislature in a legislative district in which at least 20 percent but less than 40 percent of the legislative district's population resides in the county of the contributing county political party committee, a contribution not to exceed \$[50,000] **\$53,000** in the election.

SUBCHAPTER 12. REPORTING OF EXPENDITURES;
INDEPENDENT EXPENDITURES

19:25-12.7 Independent expenditures

(a) An expenditure by a candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, [or] legislative leadership committee [to support or defeat a candidate, which expenditure is made without the cooperation or prior consent of, or in consultation with or at the request or suggestion of, a candidate or any person or committee acting on behalf of a candidate, or an expenditure for a communication to aid the passage or defeat of a public question, which expenditure is made without consultation with or at the suggestion of any person or committee supporting or opposing a public question], or independent expenditure committee that is not coordinated with a candidate or political party, or any person or committee acting on behalf of a candidate or political party, for the purpose of expressly advocating the election or defeat of a clearly identified candidate, or expressly advocating the passage or defeat of a public question, or such an expenditure that amounts to the functional equivalent of express advocacy, is an independent expenditure.

(b) An expenditure by a person from the person's own funds of more than [\$200.00] **\$300.00** in an election [to support or defeat a candidate, which expenditure is made without the cooperation or prior consent of, or without consultation with, or at the request or suggestion of, a candidate or any person or committee acting on behalf of the candidate, or an expenditure by a person from his, her or its own funds of more than \$200.00 for a communication to aid the passage or defeat of a public question, which expenditure is made without consultation with or at the suggestion of any individual or committee supporting or opposing a public question] **that is not coordinated with a candidate or political party, or any person or committee acting on behalf of a candidate or political party, for the purpose of expressly advocating the election or defeat of a clearly identified candidate, or expressly advocating the passage or defeat of a public question, or such an expenditure that amounts to the functional equivalent of express advocacy, is an independent expenditure.**

(c) The functional equivalent of express advocacy means that a communication can only be interpreted by a reasonable person as advocating the election or defeat of a candidate or the passage or defeat of a public question or referendum, which shall be determined by considering the following:

1. Whether the communication mentions a candidate and discusses the candidate's character, qualifications, fitness for office, or position on an issue; or

2. Whether the communication mentions a public question or referendum and discusses its merits or lack of merits.

[(c)] (d) A communication that is paid for by means of an independent expenditure pursuant to (a) or (b) above shall include the political identification information required [in] **pursuant to N.J.A.C. 19:25-13.**

19:25-12.7A Coordinated communication expenditures

(a) **An expenditure for a communication is coordinated with a candidate or a political party and, therefore, not an independent expenditure; if the candidate, political party, candidate committee, or any staff member or agent of the candidate, political party, or candidate committee:**

1. **Cooperated with, consented to, authorized, or exercised control over production or circulation of the communication;**

2. **Requested or suggested the making of the expenditure;**

3. **Provided information to the person or entity making the expenditure regarding the content, timing, location, mode, intended audience, distribution, or placement;**

4. **Discussed or negotiated with the purchaser, creator, producer, or distributor of the communication concerning content, timing, location, mode, intended audience, distribution, or placement;**

5. **Shared information or held discussions on campaign or media strategy with the person or entity making the expenditure or with the purchaser, creator, producer, or distributor; or**

6. **Shared its polling or other research with the person or entity making the expenditure.**

(b) **A coordinated communication expenditure that is a political communication pursuant to N.J.A.C. 19:25-10.10 is a contribution to the recipient candidate or committee and is subject to contribution limits.**

19:25-12.8 Reporting of independent expenditures

(a) (No change.)

(b) **An independent expenditure made by an independent expenditure committee shall be reported as set forth at N.J.A.C. 19:25-8A.**

[(b)] (c) (No change in text.)

19:25-12.8A Independent expenditures made immediately before an election

(a) A person who makes an independent expenditure in an amount in excess of [\$200.00] **\$300.00**, as defined at N.J.A.C. 19:25-12.7(b), from the person's own funds during the period of time between the 13th day prior to an election and the date of the election, shall file a notice (Form IND) of the expenditure with the Commission, which notice shall include the following:

1.-3. (No change.)

(b) (No change.)

SUBCHAPTER 13. POLITICAL IDENTIFICATION STATEMENTS

19:25-13.2A Independent expenditure committee political identification requirements

(a) **Each independent expenditure by an independent expenditure committee, including an independent expenditure that is an electioneering communication, shall state that the communication has been paid for by an independent expenditure committee. Such statement shall also include the name and address of the independent expenditure committee, as that information appears on the certificate of organization and designation of depository (Form D-6) and a clear and conspicuous statement that the expenditure was not made with the cooperation or prior consent of, or in consultation with, or at the request or suggestion of, any candidate, any person, or committee acting on behalf of any candidate, or any political party committee.**

(b) **Independent expenditures, including independent expenditures that are electioneering communications, by an entity organizing as an independent expenditure committee prior to filing Form D-6 shall be subject to the political identification requirements at (a) above.**

19:25-13.3 Independent expenditure communications by other entities

A communication that is paid for by any person, not acting in concert with a candidate or any person or committee acting on behalf of a candidate, that is, is paid for as an independent expenditure pursuant to N.J.A.C. 19:25-[12.8]12.7, shall, in addition to the political identification statement required by this subchapter, contain a clear and conspicuous statement that the expenditure was not made with the cooperation or prior consent of, or in consultation with or at the request or suggestion of, any candidate, or any person or committee acting on behalf of any candidate.

19:25-13.4 Vendor records

(a) Any person who accepts compensation from a committee, group, or individual described [in] at N.J.A.C. 19:25-13.2 or **13.2A** for the purpose of printing, broadcasting, or otherwise disseminating to the electorate a communication subject to political identification statement requirements shall maintain a record of the transaction, which record shall include:

1.-3. (No change.)

(b) (No change.)

SUBCHAPTER 14. RECALL ELECTIONS

19:25-14.4 Recall committee depository and filing requirements

(a)-(d) (No change.)

(e) There shall be no obligation to file the election fund reports referred to [in] at (c) and (d) above on behalf of any recall committee that files no later than on the first date established for candidate committee reports [by] **pursuant to N.J.A.C. 19:25-8.3(b)** falling after the date of the establishment of the recall committee depository, or no later than the 29th day before the recall election, whichever is earlier, a certified statement to the effect that the total amount expended or to be expended on behalf of the recall committee in the recall election shall not in the aggregate exceed [\$5,800] **\$6,900.**

SUBCHAPTER 17. COMPLAINTS AND OTHER PROCEEDINGS; VIOLATIONS

19:25-17.3 Penalties

(a) Any person, including any candidate, treasurer, candidate committee or joint candidates committee, political committee, continuing political committee, political party committee, [or] legislative leadership committee, **or independent expenditure committee**, charged with the responsibility [under] **pursuant to** the terms of the Act, for the preparation, certification, filing, or retention of any reports, records, notices, or other documents, who fails, neglects, or omits to prepare, certify, file, or retain any such report, record, notice, or document at the time or during the time period, as the case may be, and in the manner prescribed by law, or who omits or incorrectly states or certifies any of the information required by law to be included in such report, record, notice, or document, any person who proposes to undertake or undertakes

a public solicitation, testimonial affair, or other activity relating to contributions or expenditures in any way regulated by the provisions of the Act who fails to comply with those regulatory provisions, and any other person who in any way violates any of the provisions of the Act shall, in addition to any other penalty provided by law, be liable to a penalty of not more than [\$9,800] **\$11,600** for the first offense and not more than [\$19,500] **\$24,000** for the second and each subsequent offense.

(b) Any corporation or labor organization of any kind, which provides to any of its officers, directors, attorneys, agents, or other employees any additional increment of salary, bonus, or monetary remuneration of any kind, which, in whole or in part, is intended by that corporation or labor organization to be used for the express purpose of paying or making a contribution, either directly or indirectly, of money or other thing of value to any candidate, candidate committee, joint candidates committee, political party committee, legislative leadership committee, political committee or continuing political committee shall, in addition to any other penalty provided by law, be liable to a penalty of not more than [\$9,800] **\$11,600** for the first offense and not more than [\$19,500] **\$24,000** for the second and each subsequent offense.

(c) A candidate, candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, legislative leadership committee, or person that makes, incurs, or authorizes an expenditure for the purpose of financing a communication aiding or promoting the nomination, election, or defeat of any candidate or aiding the passage or defeat of any public question, which is an expenditure that the candidate, committee, individual, or group is required to report pursuant to the Act, and that fails, neglects, or omits to include required political identification information in the manner prescribed by the Act or this chapter shall be liable to a penalty of not more than [\$9,800] **\$11,600** for the first offense and not more than [\$19,500] **\$24,000** for the second and each subsequent offense.

(d) An independent expenditure committee that fails, neglects, or omits to include required political identification information in the manner prescribed pursuant to the Act or this chapter on an independent expenditure or electioneering communication shall be liable to a penalty of not more than \$11,600 for the first offense and not more than \$24,000 for the second and each subsequent offense.

19:25-17.3A Penalties for failure to file

(a)-(f) (No change.)

(g) In determining the amount of a penalty to be imposed for failure to file any report not described [in] at (b) through (f) above, including, but not limited to, a **Single Candidate Committee—Certificate of Organization and Designation of Campaign Treasurer and Depository (Form D-1)**, a **Joint Candidates Committee—Certificate of Organization and Designation of Campaign Treasurer and Depository (Form D-2)**, a **Political Committee—Registration Statement and Designation of Campaign Treasurer and Depository (Form PC)**, a **Political Party Committee—Designation of Organizational Treasurer and Depository (Form D-3)**, a **Continuing Political Committee—Registration Statement and Designation of Organizational Depository (Form D-4)**, [and] a **Legislative Leadership Committee—Registration Statement and Designation of Organizational Depository (Form D-5)**, and an **Independent Expenditure Committee—Registration Statement and Designation of Campaign Treasurer and Depository (Form D-6)**, the Commission shall impose a penalty that is not less than one quarter (25 percent) of the maximum penalty provided at N.J.A.C. 19:25-17.3.

(h) (No change.)

(a)

**ELECTION LAW ENFORCEMENT COMMISSION
Regulations of the Election Law Enforcement
Commission Campaign Cost Index Adjustments
Public Financing
General and Primary Elections for the Office of
Governor and Lieutenant Governor**

Proposed Amendments: N.J.A.C. 19:25-15.3, 15.6, 15.10, 15.11, 15.12, 15.14, 15.16, 15.17, 15.21, 15.22, 15.30, 15.32, 15.35, 15.45, 15.49, 16.3, 16.6, 16.8, 16.9, 16.10, 16.11, 16.14, 16.18, 16.21, 16.22, 16.31, 16.33, and 16.38

Authorized By: Election Law Enforcement Commission, Amanda S. Haines, Executive Director.

Authority: N.J.S.A. 19:44A-6.b and 19:44A-38.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2024-098.

The sitting New Jersey Election Law Enforcement Commission will conduct a **public hearing** concerning this notice of proposal on Tuesday, October 15, 2024, at 11:00 A.M. at:

Election Law Enforcement Commission
25 South Stockton St., 5th floor
Trenton, New Jersey 08608

Persons wishing to testify are requested to reserve time to speak by contacting Administrative Assistant Elbia L. Zeppetelli at (609) 292-8700 no later than Friday, October 11, 2024.

Submit written comments by October 18, 2024, to:

Benjamin Kachuriner, Assistant Legal Counsel
Election Law Enforcement Commission
PO Box 185
Trenton, New Jersey 08625-0185
Email: ELLEC.rulemaking@elec.nj.gov

The agency proposal follows:

Summary

The New Jersey Election Law Enforcement Commission (Commission) proposes to amend its rules to implement campaign cost index adjustments for gubernatorial campaigns.

Cost Index Adjustment

Statutory changes to the New Jersey Campaign Contributions and Expenditures Reporting Act, N.J.S.A. 19:44A-1 et seq. (Campaign Act), enacted in 1989 require that the Commission “establish an index reflecting the changes occurring in the general level of prices of particular goods and services ... directly affecting the overall costs of election campaigning in this State.” See N.J.S.A. 19:44A-7.1.b. The Commission must apply that index to adjust on a quadrennial basis the following statutory components of the gubernatorial public financing program for the offices of Governor and of Lieutenant Governor: the gubernatorial contribution limit; the threshold for candidate qualification to receive public matching funds; the threshold amount of contributions for which no public matching funds are awarded; the gubernatorial expenditure limits; and the maximum public funds that may be given to a qualified gubernatorial primary or general election candidate. See N.J.S.A. 19:44A-7.1.c.

As the Commission has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5.

Calculation of the Inflationary Adjustment

Applying the methodology first described in the Commission’s June 1988 “Gubernatorial Cost Analysis Report,” and employed in 1992, 1996, 2000, 2004, 2008, 2012, 2016, and 2020 for the gubernatorial public financing program, and in 1996, 2000, 2004, 2008, 2012, 2016, and 2020 for non-gubernatorial candidates and committees, the Commission has determined that costs relevant to campaigning in New Jersey have risen